

25X1A

INFORMATION REPORT

CD NO.

COUNTRY China

DATE DISTR 1 NOV 50

SUBJECT Position of CH'EN Yi

NO. OF PAGES 1

PLACE
ACQUIRED

NO. OF ENCLS.
(LISTED BELOW)

DATE OF
INFO.

SUPPLEMENT TO
REPORT NO.

16
735

1. CH'EN Yi, mayor of Shanghai, is under restriction in Peiping. He can move about the city, but he is not permitted to leave the city limits.
2. The reason for CH'EN's situation is considered to be his growing and publicly stated differences with Peiping government authorities over the terms and implementation of the Sino-Soviet pact. It is rumored in Peiping that CH'EN may be purged politically as an example to the Communist Party because of his obvious bitterness towards Soviet domination in Peiping, his professed admiration for western techniques, and his acknowledged status as the richest individual in Communist China.
3. During the latter half of August, CH'EN was not seen in Shanghai, although no exact information is available as to when he left or the date of his arrival in Peiping. Rumors of his restriction in Peiping have been current in Shanghai for several weeks.

Comment. The reason for CH'EN's disfavor, according to previous rumors, was his failure as a military leader in the original Communist assault on the Choushan Islands.

Comment. There have been reports concerning the replacement of CH'EN Yi as commander of the Taiwan invasion forces by various leaders. For recent reports naming LIE Piao and SUNG Shih-lun in this connection.

Comment. According to the Communist radio, on 12 October CH'EN Yi gave a speech in Shanghai upon his election as chairman of the Executive Committee of the Shanghai branch of the People's Relief Association of China.

Document No.	9
Classified in Class.	<input type="checkbox"/>
Declassified	
Classified To:	TS S ①
Excluded From:	
Date	26 JUN 1978